

MULTISTATE TAX COMMISSION

AUDIT DIRECTOR'S REPORT

FISCAL YEAR END 6/16

DECEMBER 9, 2015

PRODUCTIVITY

The Audit Program completed parts of six income tax audits for the fiscal year 2016 through October 31, 2015. The Audit Program also completed three sales tax audits and parts of seven other sales tax audits for this same period. There are 18 income and 35 sales tax audits in progress.

The MTC Audit Program has proposed assessments of \$28,927,858 for the completed income tax audits and \$4,190,984 for the completed sales tax audits through October 31, 2015, for the fiscal year end of June 2016.

STAFFING

In September we added a new sales tax auditor, Bartt Stucki. Bartt came to us from the Utah Department of Revenue. Bartt had a lot of years of experience with Utah and we are lucky to have him with us. Currently, we have an income tax audit position posted and we plan to fill that early next calendar year. This position will replace Marie Plesko who has announced her retirement at the end of this month. We wish Marie the very best in her retirement.

AUDIT COMMITTEE

The audit committee met at the MTC annual meeting on July 27, 2015 in Spokane, Washington. This will be the first meeting of the audit committee covering information and data for fiscal year end 2016. Our next meeting will be in Salt Lake City, Utah, at the Winter meetings, which start on Wednesday, March 2, 2016 and go through Friday, March 4, 2016.

TRAINING

Harold Jennings, Bob Schauer and Sam Moon conducted “Statistical Sampling for Sales and Use Tax Audits” class September 21 through the 24th in Des Plaines, Illinois. Harold Jennings and Bob Schauer conducted a “Computer Assisted Audit Techniques using Excel” class in Trenton, New Jersey, October 6th and 7th.

The MTC audit program supervisors and director met with Greg Matson, Helen Hecht and Bruce Forte on October 19, 2015 in Des Plaines, Illinois to discuss audit issues and problems that had surfaced on some pending audits.